Government of Saskatchewan

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Cattle Market Update

For the Week Ending March 6, 2015

All prices are quoted in Canadian dollars per hundredweight ($/cwt) unless otherwise stated.

Saskatchewan Feeder Steer and Feeder Heifer Prices ($/cwt)

Feeder Steers		300-400	400-500	500-600	600-700	700-800	800-900	900+ lb.
March 6/2015	Average	N.A.	$333.79	$312.25	$281.00	$252.04	$233.04	$221.11
March 6/2015	Range	N.A.	324-350	302-325	260-295	240-269	222-243	215-227
week/week	Change	N.A.	-$3.71	$2.35	-$0.10	$0.24	-$0.38	$2.48
Feb. 27/2015	Average	$357.00	$337.50	$309.90	$281.10	$251.80	$233.42	$218.63
Feeder Heifers		**300-400**	**400-500**	**500-600**	**600-700**	**700-800**	**800+ lb.**	
March 6/2015	Average	$318.47	$309.51	$280.68	$252.71	$231.81	$213.00	
March 6/2015	Range	302-337	298-330	255-304	244-270	219-248	205-224	
week/week	Change	$1.97	-$0.99	$1.35	$0.54	-$0.09	$0.75	
Feb. 27/2015	Average	$316.50	$310.50	$279.33	$252.17	$231.90	$212.25	

Source: CanFax

Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week. N.A. means not available due to lack of sufficicent data.

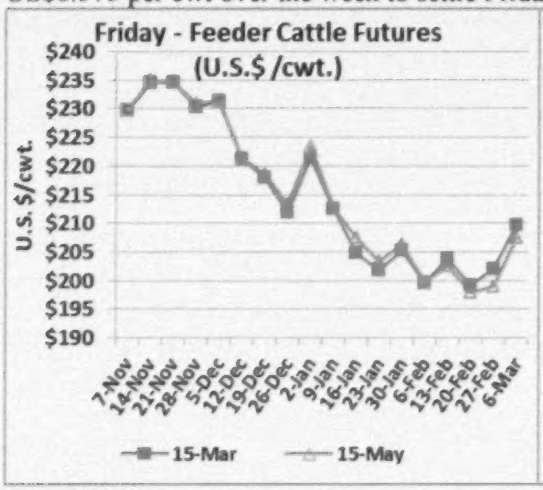
Canfax reported that a total of 9,837 head of cattle were sold in Saskatchewan this week, down from 16,449 head marketed the previous week. Saskatchewan feeder cattle prices were mixed over the week on lower volumes, but on average relatively unchanged from the previous week.

Saskatchewan feeder steer prices over the week were mixed. Prices ranged from $3.71 per cwt lower to $2.48 per cwt higher. Prices in the 900+ lb. weight category had the biggest gain over the week increasing $2.48 per cwt, while prices in the 400-500 lb. weight category had the largest loss, declining $3.71 per cwt. New all-time high record prices were established in the 500-600 lb. feeder steer weight category.

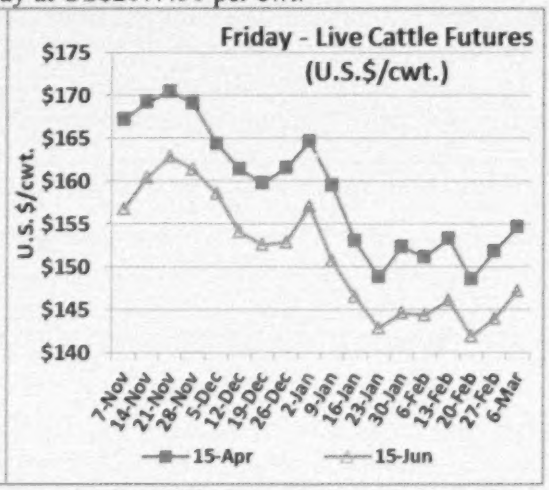
Feeder heifer prices were also mixed over the week. Feeder heifer prices ranged from $0.99 per cwt lower to $1.97 per cwt higher. The 300-400 lb. feeder heifer weight category had the biggest gain over the week increasing $1.97 per cwt, while the 400-500 lb. weight category had the largest loss declining $0.99 per cwt. New all-time high record prices were established in the 500-700 lb. feeder heifer weight categories.

The Saskatchewan 750 lb. feeder steer basis compared to the March 5, 2015, U.S. feeder cattle index at US$207.66 per cwt was calculated at -$9.83 per cwt (US$207.66/0.7930 -$252.04), a basis widening of $1.92 per cwt from -$7.91 per cwt on February 26, 2015.

Feeder cattle futures prices were higher over the week achieving big gains, week-over-week. The nearby contracts increased about US$8 per cwt over the week. The March contract increased $7.825 per cwt to settle Friday at US$209.725 per cwt, while the May contract increased US$8.575 per cwt over the week to settle Friday at US$207.450 per cwt.



Source: CME



Source: CME

Live cattle futures prices were also higher over the week with nearby contracts increasing about US$3 per cwt, week-over-week. The April 2015 contract increased US$2.950 per cwt over the week to settle Friday at US$154.650 per cwt, while the June contract increased US$3.250 per cwt to settle Friday at 147.100 per cwt.

Iowa cash corn prices edged lower over the week declining 4 cents per bushel to end Friday at US$3.64 per bushel. Daily U.S. corn futures prices were mixed over the week but mostly lower to end the week lower, week-over-week. The March contract was down over 5 cents to settle Friday at US$3.79¼ per bushel, while the May 2015 corn contract declined over 7 cents to settle Friday at $3.86 per bushel.

Fed and Non-fed Cattle

	March 6	February 27	Change over Week
Steers (Alberta)			
Live	190.64	190.74	-0.10
Rail	313.75	311.75-318.50	n/a
Cows (Alberta)			
D1,2 Live	140.04	138.00	+2.04
D3 Live	119.00	123.00	-4.00
Rail	268-273	265-270	+3.00

Source: Canfax. (n/a = not available, n/c = no change)

Prices for live weight, non-fed cattle in Alberta were mixed over the week. The price of D1,2 slaughter cows increased $2.04 per cwt to average $140.04 per cwt, a new all-time high record price for D1,2 slaughter cows. The price of D3 slaughter cows declined $4.00 per cwt to average $119.00 per cwt.

Average cash fed cattle prices in Western Canada for Alberta fed steers over the week were reported to average $190.64 per cwt, down slightly ($0.10 per cwt) from US$190.74 per cwt the previous week. Prices were relatively unchanged from the previous week and still close to the record high price of $191.05 per cwt established during the week of January 16, 2015.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US$161.07 per cwt, up US$2.63 per cwt from US$158.44 per cwt from the previous week, and up US$12.07 from US$149.00 per cwt the same week a year ago. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US$257.17 per cwt, up US$3.61 per cwt from US$253.56 per cwt the previous week, and up US$19.09 per cwt from US$238.08 per cwt the same week a year ago.

Average beef cutout values (Choice 600-900 lb.) for the week ending March 7 averaged US$248.91 per cwt, up US$3.63 per cwt from US$245.28 per cwt from the previous week, and up 6.6 per cent from US$233.40 per cwt the same week a year ago.

U.S. beef production for the week ending March 7, totaled 439.1 million lb., up 2.8 per cent from 427.0 million lb. the previous week, and up 0.7 per cent from 436.2 million lb. the same week a year ago. Cattle slaughter numbers were 537,000 head, up 2.7 per cent from 523,000 head the previous week, but down 1.9 per cent from 547,000 head the same week a year ago.

United States exports of beef plus beef variety meat exports in January 2015 were US$503.6 million dollars, down 21.7 per cent from US$643.2 million dollars in December 2014, and down 2.1 per cent from January 2014. By quantity, U.S. exports were 79,899 metric tons in January 2015, down 20.3 per cent from 100,270 metric tons in December 2014, and down 18.3 per cent from 97,824 metric tons in January 2014. In January 2015 beef exports were down significantly to Hong Kong, South Korea, Egypt, Japan, and Canada compared to beef exports in January 2014. (Source: U.S. Meat Export Federation) The large declines in beef exports were likely caused by some combination of a stronger United States dollar and work disruptions at the West Coast ports.

Statistics Canada released the January 1, 2015 inventory numbers late in the week. Total Canadian cattle and calf inventory numbers as of January 1, 2015 were estimated at 11,915,000 head, down 2.5 per cent from 12,220,000 head on January 1, 2014. Total cattle in beef operations totaled 9,994,800 head on January 1, 2015, down 2.9 per cent from 10,292,000 head a year ago. Beef cow numbers totaled 3,824,000 head, down 2.0 per cent from 3,903,300 head a year ago. Beef heifers for breeding totaled 531,100 head, down 1.5 per cent from 539,100 head a year ago.

In Saskatchewan, cattle and calf inventory numbers as of January 1, 2015 were estimated at 2,295,000 head, down 5.0 per cent from 2,415,000 head from January 1, 2014. Total cattle in beef operations totaled 2,246,800 head, down 5.0 per cent from 2,364,500 head a year ago. Beef cow numbers totaled 1,135,700 head on January 1, 2015, down 2.0 per cent from 1,158,700 head on January 1, 2014. Beef heifers for breeding totaled 157,000 head, down 1.6 per cent from 159,500 head as of January 1, 2014. (Source: Statistics Canada)

Friday Price Information

Product		This Week (March 6)	Week of: (February 27)
Canadian Dollar (closing rate US$)		.7930	.7998
U.S. Cash Cattle			
Thurs. Feeder Cattle (FC) Index (US$ per cwt)		207.66	207.72
Seven-day Weighted Average FC Index Wt. (lb.)		770	766
Live Fed 5-area Steer Price (US$ per cwt)		161.07	158.44
Feed Grains			
Barley	Lethbridge ($/tonne)	203.00	200.00
	($ per bu.)	4.42	4.35
Corn	Iowa State Average (CDN$/tonne)*	180.71	181.14
	(US$ per bu.) (current Wed. price)	3.64	3.68
	Omaha, NE (CDN$/tonne)*	190.63	185.57
	(US$ per bu.)	3.84	3.77
Futures			
	March Corn (US$ per bu.)	3.79¼	3.84½
	May Corn (US$ per bu.)	3.86	3.93¼
	April Live Cattle (US$ per cwt)	154.650	151.700
	June Live Cattle (US$ per cwt)	147.100	143.850
	March Feeder Cattle (US$ per cwt)	209.725	201.900
	May Feeder Cattle (US$ per cwt)	207.450	198.875

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship,
Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
* conversion to CDN$ is based on Friday's CDN$ closing rate

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